

2007 ALM Consensus Assumptions

	Real Return*	Standard Deviation									
	%	%	Correlation Matrix	USE	IE	AIM	RE	IL	FI	Cash	Inflation
US Equity	7.00	15.50	US Equity	1.00	0.68	0.65	0.33	0.08	0.27	0.15	-0.16
Intl Equity	7.00	17.50	Intl Equity	0.68	1.00	0.57	0.28	0.25	0.21	-0.09	-0.21
Alt Inv	10.00	25.00	Alt Inv	0.65	0.57	1.00	0.15	0.21	0.09	0.06	-0.12
Real Estate	6.00	17.00	Real Estate	0.33	0.28	0.15	1.00	0.16	0.31	0.11	-0.14
Infl Linked	4.00	5.75	Infl Linked	0.08	0.25	0.21	0.16	1.00	-0.05	-0.25	0.46
Fixed Inc	3.00	6.50	Fixed Inc	0.27	0.21	0.09	0.31	-0.05	1.00	0.26	-0.21
Cash	1.25	1.50	Cash	0.15	-0.09	0.06	0.11	-0.25	0.26	1.00	-0.02
Inflation	2.86	1.30	Inflation	-0.16	-0.21	-0.12	-0.14	0.46	-0.21	-0.02	1.00

* Expected Average Real Returns in a given year



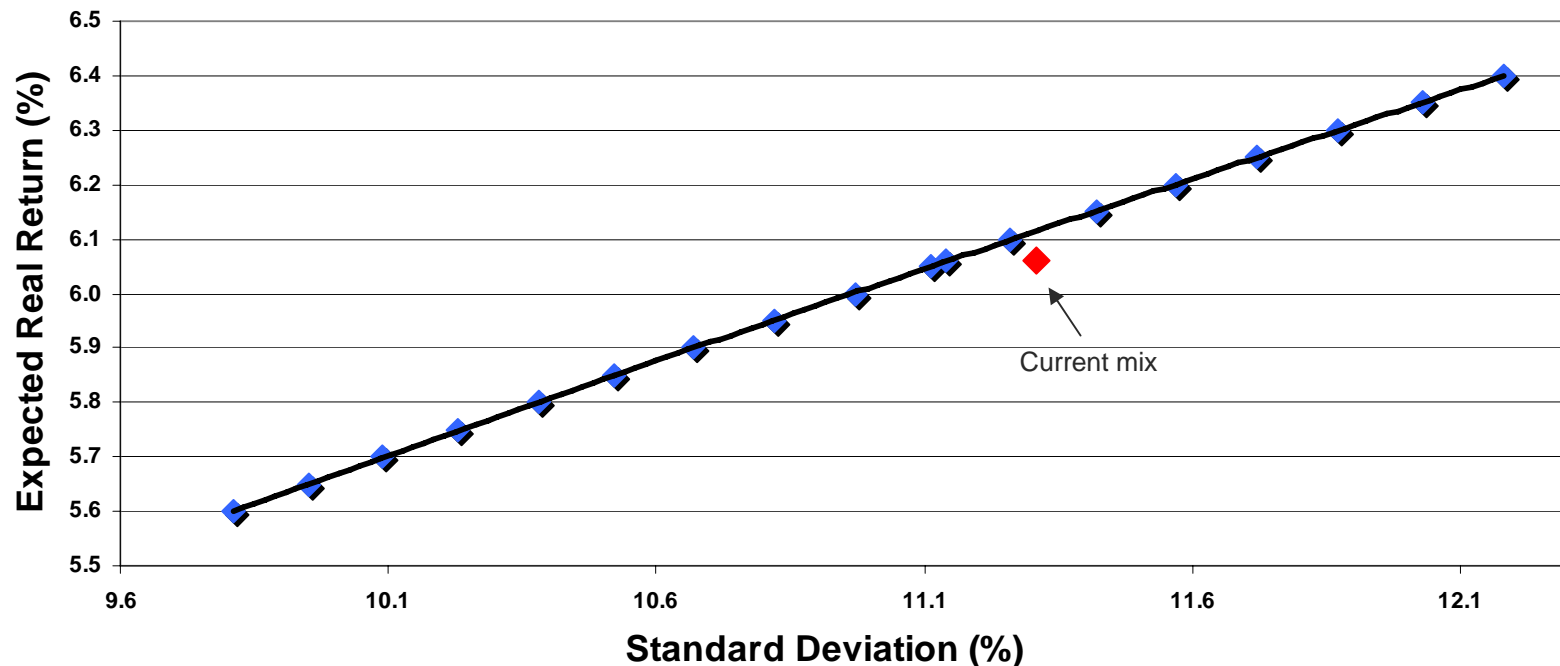
Candidate Asset Mix Optimizations

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Global Eq	44.9%	45.9%	46.8%	47.8%	48.8%	49.8%	50.8%	51.8%	52.8%	53.8%	54.0%	54.7%	55.7%	56.7%	57.7%	58.7%	59.7%	60.7%
US Equity	22.4%	22.9%	23.4%	23.9%	24.4%	24.9%	25.4%	25.9%	26.4%	26.9%	27.0%	27.4%	27.9%	28.4%	28.9%	29.3%	29.8%	30.3%
Intl Equity	22.4%	22.9%	23.4%	23.9%	24.4%	24.9%	25.4%	25.9%	26.4%	26.9%	27.0%	27.4%	27.9%	28.4%	28.9%	29.3%	29.8%	30.3%
AIM	7.7%	7.8%	8.0%	8.1%	8.2%	8.4%	8.5%	8.6%	8.8%	8.9%	8.9%	9.1%	9.2%	9.3%	9.5%	9.6%	9.7%	9.9%
RE	8.3%	8.5%	8.7%	8.9%	9.1%	9.2%	9.4%	9.6%	9.8%	10.0%	10.0%	10.1%	10.3%	10.5%	10.7%	10.9%	11.1%	11.2%
Infl Linked	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
GFI	34.1%	32.8%	31.5%	30.2%	28.9%	27.6%	26.3%	25.0%	23.7%	22.4%	22.1%	21.1%	19.7%	18.4%	17.1%	15.8%	14.5%	13.2%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
E[R]	5.60%	5.65%	5.70%	5.75%	5.80%	5.85%	5.90%	5.95%	6.00%	6.05%	6.06%	6.10%	6.15%	6.20%	6.25%	6.30%	6.35%	6.40%
σ	9.63%	9.78%	9.92%	10.06%	10.21%	10.36%	10.50%	10.65%	10.80%	10.95%	10.98%	11.10%	11.26%	11.41%	11.56%	11.72%	11.88%	12.03%
A/L σ	9.81%	9.95%	10.09%	10.23%	10.38%	10.52%	10.67%	10.82%	10.97%	11.11%	11.14%	11.26%	11.42%	11.57%	11.72%	11.87%	12.03%	12.18%

- There were 18 candidate asset mixes for the 2007 Asset/Liability Management Workshop.
- The Global Equity approach (50% DE/50% IE) was incorporated into these candidate asset mixes.
- The Inflation-Linked Asset Class allocation had a hard constraint of 5%. Real Estate and AIM allocations were dynamically constrained.

All of the 18 Candidate Asset Mixes Reside on the Efficient Frontier

Candidate Asset Mix Efficient Frontier

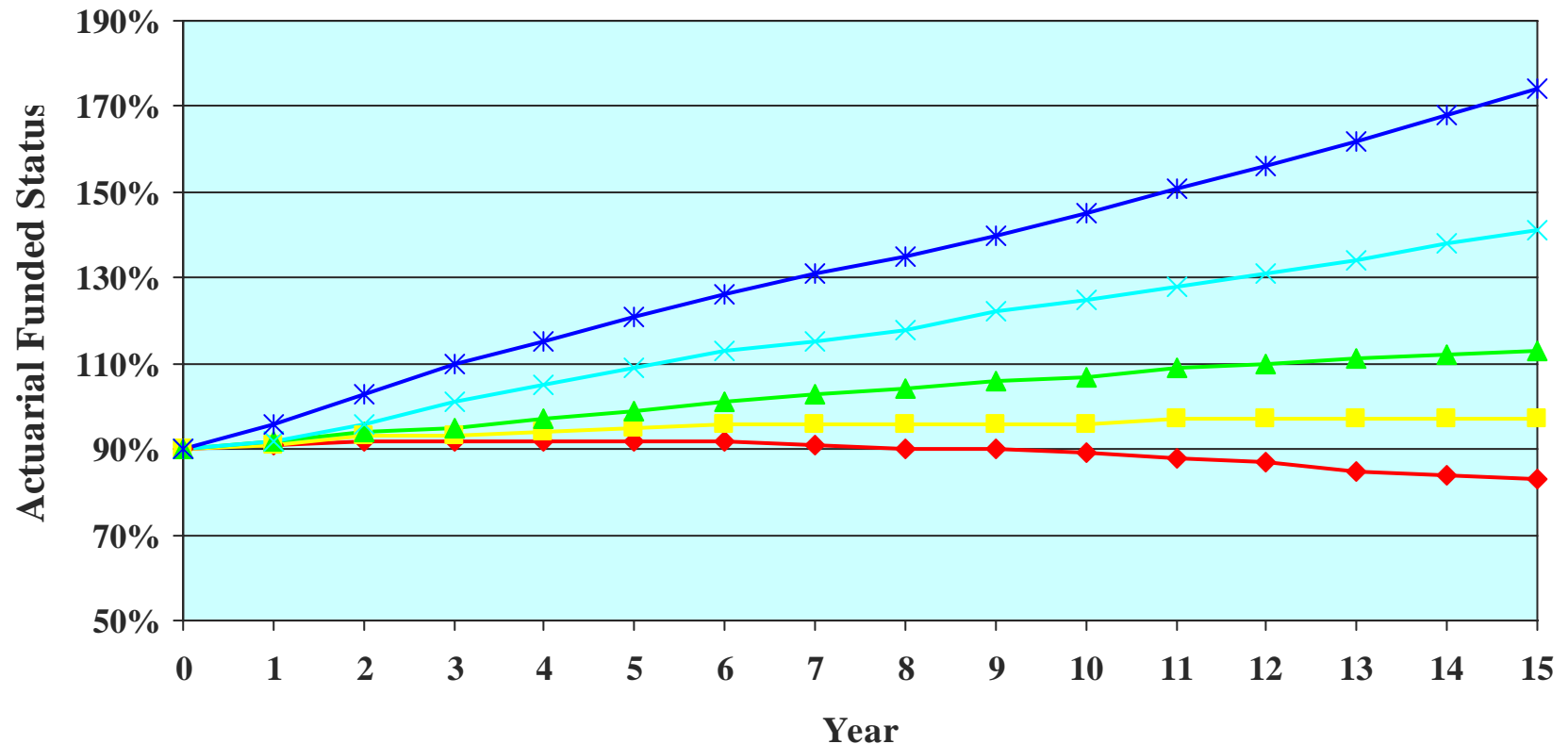


Current Policy and Allocation

	Current Allocation	Current Policy Mix	
		Policy Targets	Ranges
	10/31/2007		
Assets	%	%	%
Cash	0.6	0	
Global Fixed Income	25.8	26	21 - 31
US Equity	36	40	
Intl Equity	21.5	20	
Global Equity	57.5	60	
Alt Inv	7.5	6	3-9
Total Equity	65	66	61- 71
Real Estate	7.8	8	4-12
Inflation Linked	0.7		
TOTAL FUND	100.0	100	

Projected Actuarial Funded Status- Asset Mix 14

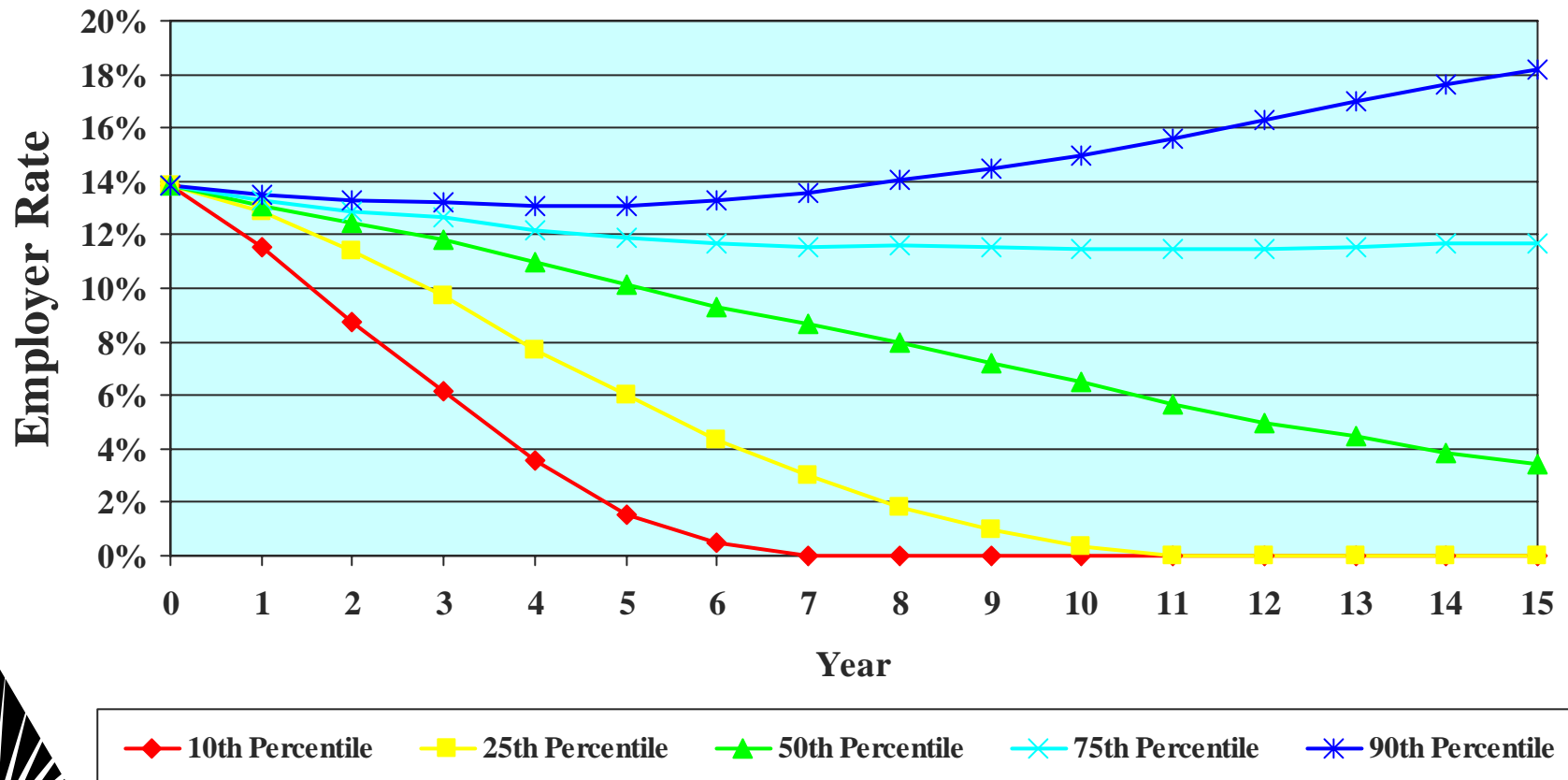
Percentiles of Future Funded Status



10th Percentile 25th Percentile 50th Percentile 75th Percentile 90th Percentile

Projected Employer Contribution Rate- Asset Mix 14

Percentiles of Future Employer Contribution Rates



Historical Asset Allocation Policies

	Pre-1984	1984	1986	1989	1990	1991	1993	1995	1996	1997	2000		2002	2004
Fixed Income														
Cash Equivalents	2%	0%	2%	2%	2%	2%	2%	2%	2%	1%	0%		0%	0%
Domestic	65	50	40	35	39	39	37	24	24	24	24			
International	0	0	5	8	4	4	4	4	4	4	4	Global	26	26
Total Fixed Income	67	50	47	45	45	45	43	30	30	29	28		26	26
Equities														
Domestic	30	40	36	35	31	28	33	38	38	41	39		39	40
International	0	0	5	8	12	12	12	20	20	20	19		19	20
Alt. Inv./Private Eq.	0	0	2	2	2	5	4	5	5	4	6		7	6
Total Equities	30	40	43	45	45	45	49	63	63	65	64		65	65
Real Estate	3	10	10	10	10	10	8	7	7	6	8		9	8
Total Fund	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		100%	100%